

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

RYDEX, LTD.

Plaintiff,

v.

GENERAL MOTORS COMPANY; FORD
MOTOR COMPANY; CHRYSLER
GROUP LLC; TOYOTA MOTOR
SALES, USA, INC.; AMERICAN HONDA
MOTOR CO., INC.; NISSAN NORTH
AMERICA, INC.; MERCEDES-BENZ
USA, LLC; BMW OF NORTH AMERICA,
LLC; KIA MOTORS AMERICA, INC.;
HYUNDAI MOTOR AMERICA;
MAZDA MOTOR OF AMERICA, INC.;
MITSUBISHI MOTORS NORTH
AMERICA, INC.; SAAB CARS NORTH
AMERICA, INC.; SUBARU OF
AMERICA, INC.; and AMERICAN
SUZUKI MOTOR CORP.;

Defendants.

Civil Action No. 4:11-CV-00122

Honorable Keith P. Ellison

JURY TRIAL DEMANDED

**CHRYSLER GROUP LLC'S ANSWER TO
RYDEX, LTD.'S COMPLAINT FOR PATENT INFRINGEMENT**

Defendant Chrysler Group LLC ("Chrysler") hereby answers the Complaint for Patent Infringement ("Complaint") of Rydex, Ltd. ("Rydex"), filed January 12, 2011, as follows:

Chrysler denies each and every allegation in the Complaint unless expressly admitted herein.

THE PARTIES

1. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 1, and on that basis, Chrysler denies all of the allegations therein.
2. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 2, and on that basis, Chrysler denies all of the allegations therein.

3. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 3, and on that basis, Chrysler denies all of the allegations therein.

4. Chrysler admits the allegations of paragraph 4.

5. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 5, and on that basis, Chrysler denies all of the allegations therein.

6. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 6, and on that basis, Chrysler denies all of the allegations therein.

7. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 7, and on that basis, Chrysler denies all of the allegations therein.

8. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 8, and on that basis, Chrysler denies all of the allegations therein.

9. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 9, and on that basis, Chrysler denies all of the allegations therein.

10. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 10, and on that basis, Chrysler denies all of the allegations therein.

11. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 11, and on that basis, Chrysler denies all of the allegations therein.

12. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 12, and on that basis, Chrysler denies all of the allegations therein.

13. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 13, and on that basis, Chrysler denies all of the allegations therein.

14. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 14, and on that basis, Chrysler denies all of the allegations therein.

15. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 15, and on that basis, Chrysler denies all of the allegations therein.

JURISDICTION AND VENUE

16. Chrysler admits that Rydex purports to state a claim for patent infringement arising under the Patent Laws of the United States, Title 35 of the United States Code. Chrysler admits that this Court has subject matter jurisdiction over claims of patent infringement pursuant to 28 U.S.C. §§ 1331 and 1338(a). Chrysler does not dispute that this Court has personal jurisdiction over it; however, Chrysler is without sufficient information to determine whether Rydex has standing or legal capacity to sue on the asserted patent identified in the Complaint, and on that basis, Chrysler denies the remaining allegations of paragraph 16. With respect to the allegations in paragraph 16 that relate to the other defendants, Chrysler lacks sufficient information to admit or deny the allegations, and on that basis, Chrysler denies the same.

17. Because Chrysler lacks sufficient information to admit or deny all of the allegations of paragraph 16 with respect to the other defendants, Chrysler also denies that venue is proper in this Court. In addition, Chrysler denies that this Court is the most appropriate or convenient forum to hear this case.

INFRINGEMENT OF U.S. PATENT NO. 5,204,819

18. Chrysler admits that the '819 patent is titled "Fluid Delivery Control Apparatus" and that it identifies Michael C. Ryan as the inventor. Chrysler also admits that the '819 patent was the subject of a reexamination proceeding and an ex parte reexamination certificate was issued. As to the remaining allegations, Chrysler lacks the knowledge or information sufficient to admit or deny the remaining allegations of paragraph 18, and on that basis, Chrysler denies the same.

19. No response is necessary to paragraph 19 as it does not contain any allegations, however, to the extent that it does, Chrysler denies them.

20. No response is necessary to paragraph 20 as it does not contain any allegations, however, to the extent that it does, Chrysler denies them.

21. Chrysler denies the allegations made against it in paragraph 21. With respect to the allegations in paragraph 21 that relate to the other defendants, Chrysler lacks sufficient knowledge or information to admit or deny the allegations, and on that basis, Chrysler denies the same.

22. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 22, and on that basis, Chrysler denies them.

23. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 23, and on that basis, Chrysler denies them.

24. Chrysler denies the allegations made against it in paragraph 24.

25. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 25, and on that basis, Chrysler denies them.

26. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 26, and on that basis, Chrysler denies them.

27. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 27, and on that basis, Chrysler denies them.

28. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 28, and on that basis, Chrysler denies them.

29. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 29, and on that basis, Chrysler denies them.

30. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 30, and on that basis, Chrysler denies them.

31. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 31, and on that basis, Chrysler denies them.

32. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 32, and on that basis, Chrysler denies them.

33. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 33, and on that basis, Chrysler denies them.

34. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 34, and on that basis, Chrysler denies them.

35. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 35, and on that basis, Chrysler denies them.

36. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 36, and on that basis, Chrysler denies them.

37. Chrysler lacks sufficient knowledge or information to admit or deny the allegations of paragraph 37, and on that basis, Chrysler denies them.

38. Chrysler denies the allegations made against it in paragraph 38. With respect to the allegations in paragraph 38 that relate to the other defendants, Chrysler lacks sufficient knowledge or information to admit or deny the allegations, and on that basis, Chrysler denies the same.

39. Chrysler denies the allegations made against it in paragraph 39. With respect to the allegations in paragraph 39 that relate to the other defendants, Chrysler lacks sufficient knowledge or information to admit or deny the allegations, and on that basis, Chrysler denies the

same.

AFFIRMATIVE DEFENSES

Chrysler pleads the following as affirmative defenses to Rydex's Complaint. Chrysler reserves the right to amend its Answer to add additional affirmative defenses not presented herein, including, but not limited to, those defenses revealed during discovery.

First Defense

(Failure to State a Claim)

40. Rydex fails to state a claim against Chrysler upon which relief can be granted.

Second Defense

(Invalidity)

41. The asserted claims of the '819 patent are invalid because they fail to satisfy one or more of the requirements of patentability specified in 35 U.S.C. § 1, et seq., including but not limited to, 35 U.S.C. §§ 101, 102, 103, and/or 112.

Third Defense

(Laches)

42. Rydex's attempted enforcement of the '819 patent against Chrysler is barred by the doctrine of laches. Rydex unreasonably delayed the filing of this action. To allow Rydex to bring an action now after its unreasonable delay would result in material prejudice to Chrysler.

Fourth Defense

(Estoppel)

43. Rydex is estopped from asserting its claims against Chrysler.

Fifth Defense

(License)

44. To the extent that any of Chrysler's suppliers have a license under the '819 patent, Chrysler has a license to the '819 patent.

Sixth Defense

(Failure to Mark)

45. To the extent that any licensee under the '819 patent has an obligation to mark and has failed to do so, each of Rydex's claims for relief are barred, in whole or in part, under 35 U.S.C. § 287.

JURY DEMAND

Chrysler hereby demands trial by jury on all issues.

Dated: March 17, 2011

Respectfully Submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3) on March 17th, 2011. Any other counsel of record will be served by first class U.S. mail.

/s/ Jeffrey K. Sherwood
Jeffrey K. Sherwood